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INFO RUCNRAQ/IRAQ COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 002699

SIPDIS

E.O. 12958: DECL: 08/22/2018

TAGS: PREL IZ

SUBJECT: ASSIGNMENT OF DIPLOMATIC ZONE PROPERTIES: GOI

LEAD, U.S. FACILITATION

REF: A. BAGHDAD 2203

¶B. BAGHDAD 1838

¶C. BAGHDAD 1760

¶D. BAGHDAD 1425

1E. HENZEL-ERELI-FORD E-MAIL 08/19/08

¶F. QUINN-WALKER E-MAIL 08/19/08

Classified By: AMBASSADOR RYAN C. CROCKER FOR REASONS 1.4 (B) AND (D).

11. (C) Summary: We have been pushing the Iraqi government to allocate definitively properties for foreign embassies, but the process here is slow-moving and contentious at best. PolMinCouns and MGT Counselor met with Ambassador Srood Najib of Iraq's Ministry of Foreign Affairs (MFA) on August 19 to discuss the status of potential embassy locations for foreign governments who have recently announced plans or indicated willingness to return ambassadors to Iraq. Although we have been told by the Prime Minister,s office that the MFA has the lead in this process, Najib said disagreement between the MFA and the Prime Minister, s office (PMO) has stalled the allocation of properties in the International Zone, with each believing it controls the villas in question. PolMinCouns stressed that while the U.S. has an interest in seeing Iraq expand its bilateral relations with Arab states and other countries, the Embassy does not want to be in the middle of this allocation process. Instead, the GOI needs to organize itself and begin allocating properties. Najeeb reviewed a list of properties the MFA plans to assign as a first tranche, including to the EU, Kuwait, the UAE, Lebanon, Jordan, Egypt and Bahrain. He urged that all foreign countries seeking to re-open embassies should work first with the Iraqi MFA. Najib also expressed concerned that the Prime Minister,s inaction on approving ambassadorial nomination lists had delayed other Arab country assignments of ambassadors, and pleaded for senior USG intervention. Embassy recommends that U.S. embassies approached by host governments regarding visits to inspect potential diplomatic sites in Iraq encourage such visits, but urge that they be coordinated with the Iraqi MFA. The process of allocating properties will likely be slow as the Prime Minister,s office may well seek to acquire properties the MFA wants for foreign embassies. End Summary.

THE MFA HAS A PLAN

12. (C) PolMinCouns and Management Counselor met with MFA International Organizations Director Ambassador Srood Najib on August 19 to discuss the status of the allocation of Diplomatic Zone Villas to foreign governments who have indicated a willingness to return ambassadors to Iraq if secure embassy locations can be found. (Najib has the MFA lead on stand-up of foreign embassies in Baghdad.) Najib said that the MFA has tentatively assigned eight of the 20 villas located just west of the New Embassy Compound (to UAE, Lebanon, Kuwait, Jordan, Bahrain, and Egypt, and two western missions, Denmark and the EU). He noted that there have been discussions with Saudi Arabia about combining three adjoining villas scheduled to be demolished because of extensive damage

into a Saudi embassy. Najib was not optimistic that the Saudis would return in the near future. Najib attributed the delay in formally assigning the villas to disagreement between the MFA and the PMO over who has the authority to allocate the properties. Najib categorically asserted that these were diplomatic properties and as such it was the prerogative of the MFA to assign them; the PMO allegedly wants to assign them to Iraqi government personnel. PolMinCouns stressed that the Embassy does not want to be in the middle of this process: governments seeking to reestablish a diplomatic presence in Iraq need to approach the GOI, not just the U.S. The Embassy will provide limited, temporary assistance, he said, but the GOI should take the lead on the rest. Najib agreed and stressed that the MFA has instructions from the PMO that it should be the first point of contact for foreign governments.

- 13. (C) Najib expressed concern that Iraq,s protocol-sensitive neighbors would delay sending ambassadors until Iraq reciprocally named its own ambassadors. (Note: Bahrain, Kuwait, and UAE have named but not posted ambassadors, see reftels. End note.) Najib complained that the PMO is blocking approval of the MFA,s nomination list for these career diplomats. He asked for high-level U.S. intervention with PM Maliki to help secure approval and announcements of these Iraqi ambassadorial appointments.
- 14. (C) With Prime Ministerial Advisor Ahmad al-Saadawi later on August 19, PolMinCouns and Management Counselor again reiterated the U.S. desire to see foreign embassies open in Baghdad but not to be in the middle of the diplomatic property allocation process. Al-Saadawi said the assignment

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of diplomatic real estate was an MFA responsibility and that related requests should be submitted to the MFA. Perhaps, he mused, the PMO might call a group together to study the allocations on a case-by-case basis but he was unsure what the final allocation process would be.

Comment

15. (C) Iraq,s reestablishment of full diplomatic relations with its neighbors is a key element of its regional reintegration, and an important U.S. policy objective, but the MFA-PMO turf war over who controls the Diplomatic Zone villas is one factor delaying progress. The best way forward is to get the PMO to support the MFA,s established villa assignment process. We recommend Washington instruct posts that are approached by host governments seeking assistance on arranging inspection visits to prospective diplomatic sites in Iraq (e.g., Embassies Abu Dhabi and Manama, reftels E and F) that foreign governments should coordinate these visits with the Iraqi MFA. The stickiness between the Iraqi MFA and PMO suggest that each designation of a property could be slow and likely involve further USG engagement with the Prime Minister. In addition, the Embassy may be able on a case-by-case basis to provide limited, temporary logistical help and other assistance. Embassy Baghdad cannot guarantee allocation of any particular property as the allocations are an Iraqi government decision.

CROCKER